



Legal Services Advocacy Project

May 17, 2022

The Honorable Paul Marquart
Chair, Tax Committee
Minnesota House of Representatives
597 State Office Building
St. Paul, MN 55155

The Honorable Carla Nelson
Chair, Tax Committee
Minnesota Senate
3235 Minnesota Senate Building
St. Paul, MN 55155

Re: HF 3669 (SF 3692) – Omnibus Tax Bill

Dear Chairs Marquart and Nelson and Members of the Conference Committee:

Legal Aid writes to respectfully urge adoption of three specific provisions in your final conference report. As you deliberate on the entire package that will comprise the final conference report, we hope that you will include the following three items that will greatly benefit the clients Legal Aid serves and represents:

Elimination of the 10% Interest Rate Floor on Property Tax Delinquencies

Article 4, Section 28 in the House Bill and Section 19 in the Senate Bill

This provision removes the minimum rate of for the unpaid balance on any contract to repurchase tax-forfeited property. This floor was established 30 years ago when interest rates were high. The rate has been excessive for some time, and we thank you for including this long-overdue change in both the House and Senate Bills.

Renter's Credit

Article 8, Sections 1-22 in the House Bill

We urge the committee to adopt these House provisions modifying the Renter's Credit. These provisions remove barrier to accessing the credit, simplify the administration of the credit, get money into the hands of taxpayers sooner, and will help more Minnesotans. Please include these provisions in the final conference report.

Revenue Recapture Reform

Article 10, Section 4 in the House Bill

We urge the committee to adopt the House provision regarding removing private hospitals as claimant agencies under the Revenue Recapture program. Inclusion of private entities inappropriately allow them to circumvent established federal and state protections regarding debt collection and seize a patient's refund even if the patient is current on a payment plan. Further, the use of this system by private entities disproportionately affects low-income Minnesotans. For these reasons, please include this provision in the final conference report.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Ron Elwood".

Ron Elwood
Supervising Attorney

c.c.: The Hon. Thomas M. Bakk; The Hon. Greg Davids; The Hon. Paul Gazelka; The Hon. Kaohly Vang Her;
The Hon. Dave Lislegard; The Hon. Ann H. Rest; The Hon. Bill Weber; The Hon. Cheryl Youakim